



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

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To Renewable Energy Project Developers and Other Interested Parties:

Re: Potential Renewable Energy Projects in Virginia

The Department of Environmental Quality (DEQ) is implementing Virginia's 2009 "Small Renewable Energy Projects" legislation. As we begin this new program, we would like to provide information that may assist you in planning renewable energy projects in our state.

The 2009 statute moved authority from the State Corporation Commission to DEQ over protection of natural resources (specifically wildlife and historic resources) with respect to renewable energy projects. Pursuant to the legislation, DEQ is developing permits by rule (PBRs) – a type of general permitting in which regulatory requirements are stated "up front." Regulatory Advisory Panels (RAPs) of stakeholders and state agencies have been assisting DEQ in developing proposed regulations that balance our twin statutory goals: to promote renewable energy and to protect natural resources.

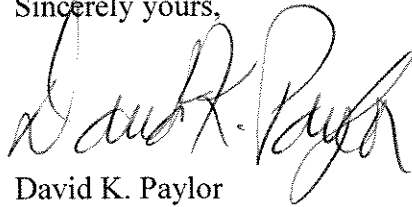
DEQ's authority over renewable energy projects begins when our PBR regulations become final and effective – approximately January 2011 for wind energy projects (100 MW and less), and approximately July 2012 for other renewable media. These dates are prescribed in our 2009 enabling legislation, and we are doing all we can to meet these deadlines. Currently, the proposed wind energy PBR regulation (including new provisions for coastal and nearshore projects) is open for public comment, and we are working on proposals for solar projects, with other renewable media to follow next year.

We understand, however, that some developers may already be working on potential projects. During this interim period, we do not want customer service to lag. If you intend to utilize DEQ's renewable-energy PBR regulations after they become final, then we hope you will consider the following preliminary steps:

1. Contact DEQ on an informal basis early in your project planning and development process to alert us to the general size, location, and technologies envisioned for your project, as well as your target timeframe for submitting a complete permit-by-rule application to DEQ. This information will help us be prepared to process your application for the new PBR permit when you are ready to submit it.
2. Continue to keep DEQ apprised, on an informal basis, of major developments.
3. Schedule a pre-application meeting with DEQ whenever you deem appropriate. Once you are contemplating how to implement specific provisions of the PBR regulation, you may want to seek DEQ's input. We intend to invite relevant sister agencies to send representatives to pre-application meetings where appropriate, to help ensure that applicants receive a coordinated response to their questions from the state. (Later in the process, DEQ will consult with other agencies in the Secretariat of Natural Resources before determining that a complete application meets the PBR requirements. Although DEQ alone is responsible for making permit decisions, this inter-agency consultation is required by the 2009 statute, and we look forward to cooperative discussions with our sister agencies concerning these issues.)

If you are considering a renewable-energy project in Virginia that falls within DEQ's statutory authority, then please contact Carol Wampler as indicated below. Thank you for considering renewable-energy development in Virginia. We look forward to working with you.

Sincerely yours,



David K. Paylor

cc: Carol C. Wampler, Renewable Energy Policy Manager
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